

**PURPOSE**

The Fraud, Bribery and Corruption Prevention Policy forms part of Evolve Housing Limited and its controlled entities described in clause 3 (the **Company**)’s Risk Management Framework.

This Policy serves to:

- Emphasise the Company’s commitment to maintaining an organisation free from fraud, bribery or corrupt conduct;
- Make a clear statement that fraud, bribery and corrupt conduct will not be tolerated;
- Outline the consequences for people who engage in such conduct;
- Provide guidance about what constitutes fraud, bribery and corrupt conduct;
- Detail the obligations and responsibilities of Employees in relation to the prevention of fraud, bribery and corruption; and
- Encourage all Employees to report any incidents of conduct covered by this Policy.

<b>POLICY REFERENCE</b>	GRC005
<b>POLICY OWNER</b>	Group General Manager Growth, Governance, Legal & CoSec
<b>APPROVED BY</b>	Evolve Housing Ltd Board of Directors
<b>APPROVAL DATE</b>	June 2024
<b>NEXT REVIEW DATE</b>	June 2026

**1. IN AND OUT OF SCOPE**

This Policy applies to the Company including their respective Directors and Employees (including contractors, volunteers and students), residents and support services clients, current and potential business partners or associates of the Company, and other relevant stakeholders.

**2. POLICY STATEMENT**

The Company will not tolerate fraud, bribery or corruption in any aspect of its operations.

The Company is regulated by a number of bodies, each of which require us to address the prevention of Fraud, Bribery and Corruption. These bodies include ASIC (as the Evolve Housing Group comprises companies), ACNC (as Evolve Housing Group comprises charitable companies), NRSCH (as Evolve Housing Limited is a community housing provider) and Homes NSW comprising the Department of Communities and Justice (DCJ) and Land and Housing Corporation (LAHC).

This Policy is a critical part of the Company’s overall risk management framework. The Policy is underpinned by the Company’s Code of Conduct, and is integrally linked to and supported by other Group policies including:

- Whistleblower Protection Policy;
- Recruitment Policy;
- Risk Management Policy;
- Internal Audit and Control Framework;
- Company Delegations of Authority Policy;
- Procurement Policy; and

- Conflict of Interest Policy.

## **2.1 Implementation of the Policy**

Effective implementation of this Policy will help ensure the confidence of our Residents, as well as regulators, industry bodies and other stakeholders, in the Company's management of the risk of fraudulent and corrupt activity.

In implementing this Policy, the Company will:

- Ensure senior Employees understand the fraud, bribery and corrupt conduct risks the EH Group is exposed to;
- Establish, promote and maintain a culture and environment that makes the control of fraud, bribery and corrupt conduct a responsibility of all Employees; and
- Provide education and training to ensure Employees are aware of their responsibilities in relation to preventing fraud, bribery and corrupt conduct;
- Ensure internal and/or external investigation of actual or suspected fraud, bribery or corrupt conduct takes place;
- Establish, maintain and assess adequate internal controls that provide for the security and accountability of EH Group resources and property, and prevent/reduce the opportunity for fraud, bribery or corrupt conduct to occur;
- Support an individual, through policy and action, who reports fraud, bribery or corruption;
- Ensure appropriate criminal and/or disciplinary penalties are applied;
- Ensure all efforts are made to recover the proceeds of fraudulent activity; and
- Ensure all relevant parties are aware of this Policy.

## **2.2 Prevention of fraud, bribery and corrupt conduct**

The Company has incorporated the risks of fraud, bribery and corrupt conduct into the Company's Risk Management Framework. Controls to prevent the occurrence of these events have been incorporated into the Company's Internal Audit and Control Assurance Framework.

### **2.2.1 Employee screening**

All Directors and Employees will be required at least annually, to confirm in writing that they have, over the previous period, complied with the Company's Code of Conduct and this Policy, and that they will continue to comply over the upcoming twelve months.

All job applicants will undergo appropriate pre-employment screening and other checks prior to any offer of employment.

### **2.2.2 Verification of suppliers and customers**

The Company will take steps to ensure the credentials of new suppliers and periodically confirm the credentials of continuing suppliers and customers. The Company will consider its ongoing commercial relationship with the other party if an enquiry identifies an increased risk of fraud or corruption in continuing to deal with that party.

### **2.2.3 Insurance**

The Company will ensure that there is adequate insurance in place, which insures the Company against the risk of loss arising from internal or externally instigated fraud or corruption.

#### **2.2.4 Political and Charitable Donations**

The Company will only make charitable donations that are legal and ethical. The Company does not make donations to any political party or to any individual in, or seeking to obtain, political office. Employees who wish to make charitable donations or sponsorships on their own behalf must make clear that they are not doing so on behalf of the Company.

From time to time the Company may deem it appropriate to give or offer gifts or benefits to an individual or organisation external to EH Group. If a gift or benefit of this nature is valued in excess of \$500, it must be reported to the Board.

#### **2.2.5 Training and Communication**

EHL Group will ensure that new and existing Employees and applicable business partners are informed about and understand this Policy. Each Employee will have access to this Policy and be provided with training. A copy of this Policy will also be available on EHL Group's website.

### **2.3 Detection and monitoring of fraud, bribery and corrupt conduct**

The Company will:

- Foster an environment that encourages Employees to report suspected incidents of fraud, bribery and corrupt conduct;
- Articulate clear standards and procedures to encourage deterrence of fraud, bribery or corrupt conduct;
- Maintain oversight across internal controls as directed / recommended by FRAC, Internal Audit and External Audit, to mitigate identified risks; and
- Demonstrate compliance through constant monitoring, reviewing and the continuous improvement of risk management and internal controls.
- Ensure controls are regularly audited to assess their effectiveness, and to recommend changes or enhancements (if any) to those controls

### **2.4 Response to fraud, bribery and corrupt conduct**

The EH Group will promptly investigate any suspected acts or allegations of fraud, bribery and / or corrupt behaviour. An objective and impartial investigation will be conducted (regardless of the position, title, and length of service or relationship with EH Group) of any party who might be the subject of such investigation.

EHL Group will instigate disciplinary proceedings, prosecution and/or recovery action according to the seriousness of the matter, in accordance with relevant EH Group policies and legal process.

### **2.5 Roles and Responsibilities**

#### **2.5.1 Overall Responsibility**

Everyone at the Company is responsible for the prevention of fraud, bribery and corrupt conduct. Accordingly, every individual must immediately report any suspected incident to their manager and to the Group General Manager, Governance and Legal (GAL).

Any report, along with the identity of the reporting individual, will be held in the strictest confidentiality. Depending on the circumstances of the incident, the reporting individual may wish to

follow the provisions of the EHL Group Whistleblower Protection Policy (available on Evolve's website) which also offers the option of anonymous reporting.

### **2.5.2 All Employees**

- Be continually alert to the possibility of incidents of fraud, bribery or corruption (refer to Appendix 1 for examples), and to any internal control weaknesses.
- Notify your Manager or of the GM GAL about any suspected incidents or internal control weaknesses. Alternatively, follow the provisions of the Whistleblower Policy.
- Undertake or participate in any training or education, or internal audits in relation to the prevention of fraud, bribery and corruption.
- Do not engage in bribery or any fraudulent or corrupt conduct.
- Do not make false or misleading entries in the books and records of EH Group.
- Ensure contracts, invoices and other documents relating to vendors and third party relationships accurately describe the transactions to which they relate.
- Always follow payment control procedures.
- Always follow any requirements to record and obtain approvals for payments and expenses, including those relating to gifts, hospitality, entertainment, travel, charitable donations, sponsorships and community engagement activities.
- Keep relevant notes on any contact with residents which is suspicious or alerts you to a potential incident of fraud.

### **2.5.3 Group Executive Team**

- Work with members of GAL as necessary, to ensure that there are controls in place to effectively address the risk of fraud, bribery and corruption, and that those controls are effective.
- Oversee daily operations in which fraud, bribery or corruption risks may arise.
- Be actively involved in planning activities to prevent, detect, and respond to suspected fraud, bribery and corruption incidents.

### **2.5.4 Group General Manager, Governance & Legal (in capacity as Head of Risk Management)**

- Prepare investigation terms of reference and investigation plans.
- Consult with appropriate line managers and specialist personnel during inquiries or investigation into fraud, bribery or corruption.
- Ensure there is quality internal and external investigative capability independent of line management.
- Facilitate the provision of fraud, bribery and corruption awareness and education.
- Maintain the EH Group Whistleblower Policy.
- Ensure timely reporting to the Group Executive Team, FRAC, GNPC and Board as appropriate.
- Assess whether and when an incident is reportable to NRSCH (under Provider Notifications to the Registrar Guidelines Feb 2016), Housing Australia and / or HOMES NSW.

## **2.6 Reporting**

Any instances of confirmed or possible fraud, bribery or corruption will be notified to the Board through the Finance, Risk and Audit Committee (FRAC).

The Group CEO will provide FRAC with an initial overview of the matter, followed by the provision of regular updates until such time as the matter is fully resolved which includes the implementation of any necessary and / or prudent operational or other changes.

If the Group CEO is conflicted in relation to the matter, the Company Secretary or a member of GET will provide the overview and updates to FRAC.

## **2.7 Breach of Policy**

Fraud, bribery, corruption and other related improper conduct referred to in this Policy may be criminal offences which could have serious consequences for the Company and the individuals involved, including substantial fines and liabilities, imprisonment and reputational damage.

Any breach of this Policy by Employees will be regarded as “Serious Misconduct” under the Employee Disciplinary Procedure, leading to disciplinary action which may include termination of employment. Breaching this Policy may also breach applicable anti-corruption laws and expose an individual to criminal and civil liability, which could result in imprisonment or the imposition of a significant financial penalty.

Employees and business partners must cooperate fully and openly with any investigation by EHL Group into alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide truthful information is also a breach of this Policy.

## **3. APPLICABILITY**

This policy applies to :

<b>Company</b>
Evolve Housing Limited
EchoRealty NSW & ACT Limited
Evolve Arncliffe Limited
Evolve Blacktown Limited
Evolve Penrith Limited
Evolve Melrose Park Limited
Evolve Merrylands Limited
Evolve Granville Limited
Evolve Edgecliff Limited
Evolve Carinya Limited

## 4. DEFINITIONS

ACNC	Australian Charities and Not-for-profits Commission.
ASIC	Australian Securities and Investments Commission.
Bribe	<p>a payment, or offer of payment, of any kind (for example money, gifts or benefits) which will, or is intended to, cause a person to act in a way that is:</p> <ul style="list-style-type: none"> <li>• contrary to the interests of the Company;</li> <li>• contrary to the interests of the Company’s Residents;</li> <li>• contrary to the interests of the Company’s clients;</li> <li>• contrary to the Company’s policies;</li> <li>• against the public interest.</li> </ul> <p>A Bribe can be offered to or solicited from a person or company. Bribes include payments intended to influence the outcome of a specific action or event, or actions over a period of time.</p>
Collusion	an agreement between people to act together secretly or illegally in order to deceive or cheat someone.
Controls	(also “internal controls”): Existing processes, policies, devices, practices or other actions that act to minimise negative risks or enhance positive opportunities.
Corruption	<p>includes (but is not limited to):</p> <ul style="list-style-type: none"> <li>• a dishonest activity in which a person acts contrary to the interests of EHL Group and misuses their position in order to achieve personal gain, or a gain for another person or body;</li> <li>• the receipt or giving of a bribe (e.g. a payment in money or benefit in kind which is intended to cause a person to act (or not to act) contrary to the interests of EHL Group;</li> <li>• bribery, extortion and blackmail;</li> <li>• secretly permitting personal interests to override corporate interests;</li> <li>• collusion or false quotes;</li> <li>• nepotism (favouring relatives or friends);</li> <li>• privacy breaches or data manipulation with intent to cause harm;</li> <li>• the participation in any of the activities described above or in the intentional hiding of the above.</li> </ul>
Employee	any person employed by, or engaged to represent, EHL Group Housing Limited, including contractors, volunteers and students.
EH Group	Evolve Housing Group of companies
FRAC	Finance, Risk and Audit Committee
Fraud	<p>includes (but is not limited to):</p> <ul style="list-style-type: none"> <li>• dishonest activity causing actual or potential loss to EH Group (including theft or misuse of money, goods, corporate assets or other property);</li> <li>• deliberate falsification, concealment or destruction of Company records</li> <li>• use of falsified documentation;</li> <li>• improper use of information or position;</li> </ul>

	<ul style="list-style-type: none"> <li>• embezzlement or misappropriation of monies, goods or other property;</li> <li>• forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive;</li> <li>• falsifying job qualifications or work certifications.</li> </ul>
NRSCH	National Regulatory System for Community Housing.
Resident	a person who is approved to reside in a property which is owned or managed by the Company under a Residential Tenancy Agreement (includes a Tenant).
Company	Evolve Housing Limited and any entity that is controlled by Evolve Housing Limited excluding Evolve Housing Vic Limited

## 5. RELATED RESOURCES

- Code of Conduct
- Conflict of Interest Policy
- Evolve Housing Control Assurance Framework and Guidelines
- Group Delegations of Authority Policy
- Evolve Housing Employee Disciplinary Procedure
- Gifts and Benefits Policy
- Housing Risk Management Policy
- Whistleblower Protection Policy
- ACNC Guidance

*This Policy is subject to change from time to time at the discretion of the Company. Any approvals required under this Policy will be granted in accordance with the Company Delegations of Authority Policy.*

**APPENDIX 1 – Examples of Fraudulent and Corrupt Conduct**

- Falsifying or fabricating official documents (including by potential and current Employees or Residents).
- Taking or requesting inducements with the promise of the provision of housing outside the normal parameters of the individual's eligibility.
- A manager knowingly signing off on fraudulent Employee expense claims.
- Regularly taking EH Group resources or property (such as office supplies, stationery or equipment) home for personal use or to sell for personal benefit.
- Unauthorised use of an EHL Group motor vehicle.
- Self-approving invoices for private expenses or colluding to do so for others.
- Submitting a false travel or reimbursement claim and receiving a benefit to which they are not entitled.
- Misusing taxi vouchers for personal use or profit.
- Manipulating recruitment and selection procedures to secure the appointment of a close friend or family member or associate.
- Falsifying or fabricating prior experience and/or qualifications in applications for employment with EH Group (This includes contract and volunteer positions).
- Misappropriating funds.
- Management promoting, engaging or giving an Employee advantage over others for personal reasons.
- Failing to declare a conflict of interest but continuing to deal with a close associate in exercising an EH Group function (for example, recruitment of an Employee, procuring maintenance services).
- Accepting or soliciting a bribe or secret commission from a tenderer to give partial consideration to them.
- Providing commercial-in-confidence information to a tenderer resulting in them obtaining an unfair advantage over other tenderers in the tender process.
- Colluding with a supplier of goods or services to EH Group, for personal gain.
- Obtaining kickbacks for organising preferential treatment.
- Gifts or benefits received which are not declared, and which are intended to achieve a particular outcome in the short or long-term.

**6. VERSION CONTROL**

Date Reviewed	Policy Reviewer	Key Changes
1/11/2016		Policy adopted
4/07/2022	Raylee Golding, GM GAL/ Co Sec	Application of policy extended to controlled entities (excluding Evolve Housing Vic Limited)
26/06/2024	Melissa Scardino, Group GM GAL	Policy review. Minor changes